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**SF 2298** – Direct Care Professionals Board (LSB 5449SV.2)  
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Fiscal Note Version – As Passed by the Senate

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### **Description**

[Senate File 2298](#), as passed by the Senate, provides for the certification of direct care professionals under new Iowa Code chapter 152F. Direct care professionals (DCPs) are individuals that provide supportive services to people of all ages experiencing illness and disabilities in settings that range from in home and community-based settings to acute care in hospitals. The Bill requires a person that provides direct care services for compensation to be certified as a DCP and establishes requirements and processes for certification, renewal, continuing education, reciprocity, exemptions, and suspension or revocation. The Bill specifies the duties and membership of the 11-member Board of DCPs. The Bill also states that it is the intent of the General Assembly that the Board be self-sustaining by January 1, 2017.

### **Background**

[House File 649](#) (Health and Human Services Appropriations Act of 2011) directed the Iowa Direct Care Worker Advisory Council to develop recommendations and findings concerning the following:

- Provide an estimate of the size of the DCP workforce.
- Identify information management system needs for the eventual Board.
- Pilot training and credentialing recommendations.
- Conduct education and outreach.
- Recommend composition of the Board and the work and credentials it will oversee.

This Bill includes recommendations outlined in the Council's January 2012 [report](#) and March 2012 [report](#) to the General Assembly and Governor concerning the establishment and credentialing activities of the Board of DCPs.

### **Assumptions**

- The Board of DCPs will be established within the Department of Public Health (DPH) by December 15, 2012, and include 11 members appointed by the Governor.
- Core training and resulting certification will be required for all DCPs. Requirements for advanced training and associated credentials will be determined based on existing provider/facility regulations. Advanced training will be optional for all other workers in provider settings where training regulations do not exist.
- Education and training completed by DCPs will be based on state-recognized competencies and will be portable among employers.
- Worker credentials will be tracked through an information management system that will provide worker, employer, and public interfaces.
- There are estimated to be between 55,000 to 73,000 practicing DCPs in Iowa that would require licensure under this Bill.
- Licenses will be issued beginning January 1, 2014, and will be renewed biennially. Current DCPs will be "grandfathered" in the credentialing system based on experience and skills.

Grandfathered credentials may be provided at a discounted fee. The Bill allows the Board to determine the grandfathering process and timeframe. For estimating purposes, it is assumed that reduced certification fees for grandfathered professionals will be offered for six months between January 1, 2014, and June 30, 2014. Assumes 60.0% of existing practitioners will seek certification, and that one-third of current practitioners will become certified in FY 2014 and the remaining two-thirds will become certified in FY 2015.

- The Board is charged with determining the appropriate license fee schedule. The overall budget is highly variable depending on the fee structure adopted by the Board. The table below closely mirrors fee levels discussed by the Direct Care Worker Advisory Council.

<b>Proposed Fee Structure</b>	
New Direct Care Associate (DCA) \$	20
New Advanced DCA	30
New Instructor	60
New Trainer	75
Renewal DCA	25
Renewal Advanced DCA	35
Renewal Instructor/Trainer	60
Grandfathered DCA	15
Grandfathered Advanced DCA	20
Specialty	15
Late Fee	50
One-Time Background Fee	15

- By FY 2015, a range between 13.0 FTE positions (Projection Scenario A) and 16.0 FTE positions (Projection Scenario B) are estimated to be necessary to support the work of the Board. These positions are generally assumed to be filled at the low end of the salary range for each position, allow for 4.0% annual salary growth, and include an additional 27.0% for benefits. The positions include:

<b>FTE Classifications</b>			
<b>Classification</b>	<b>Role</b>	<b>Number of FTEs</b>	
		<b>Scenario A</b>	<b>Scenario B</b>
Executive Officer 2	Board Manager	1	1
Administrative Assistant 2	Certification Processors	1	2
Executive Officer 1	Education Director	1	1
Program Planner 2	Outreach & Compliance Educators	2	2
Clerk Specialists	Credential Reviewers	3	4
Investigator 1	Credential & Complaint Investigators	3	4
IT/Web Administrator	IT Systems Maintenance	1	1
Secretary 1	Secretary	1	1
<b>Total</b>		<b>13</b>	<b>16</b>

### **Projections**

There are two projections provided below based on the estimated number of credential DCPs and the associated staffing levels. General Fund appropriations are not included in the projections. The net need shown at the bottom of each table represents the total estimated General Fund impact or need, if any.

#### **Projection Scenario A**

- Assumes 55,000 DCPs and a 60.0% renewal rate.
- Assumes a base of 12,000 new licensees plus a 3.0% allowance for growth annually.
- Applies the fee structure outlined in the table on page 2, plus a \$2 increase to the fees for the New Direct Care Associate (DCA), New Advanced DCA, Renewal DCA, Renewal Advanced DCA, Grandfathered DCA, and Grandfathered Advanced DCA for the Board to be self-sustaining by January 1, 2017.
- Assumes a staffing structure requiring 13.0 FTE positions by FY 2015.
- Support costs include, but are not limited to, travel, office equipment and supplies, criminal history reviews, IT development and maintenance, the DPH indirect administration charge (15.0% of total personnel costs), office rental, printing and postage, and communications.

<b>Board of Direct Care Professionals - Projection Scenario A</b>					
	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Revenue</b>					
Carryforward	\$ 0	\$ 0	\$ 0	\$ 507,849	\$ 132,163
License Fees	0	774,500	1,763,550	915,247	1,255,626
Federal Grant	550,000	201,000	0	0	0
IOWAccess Fund	150,000	100,000	0	0	0
<b>Total Revenue</b>	<b>\$ 700,000</b>	<b>\$ 1,075,500</b>	<b>\$ 1,763,550</b>	<b>\$ 1,423,096</b>	<b>\$ 1,387,789</b>
<b>Expenses</b>					
Curriculum & IT Development, Training & Evaluation	\$ 390,000	\$ 180,000	\$ 0	\$ 0	\$ 0
Personnel	205,300	626,900	765,205	795,529	826,927
Support	346,845	464,475	490,496	495,404	502,659
<b>Total Expenses</b>	<b>\$ 942,145</b>	<b>\$ 1,271,375</b>	<b>\$ 1,255,701</b>	<b>\$ 1,290,933</b>	<b>\$ 1,329,586</b>
<b>Net surplus/(need)</b>	<b>\$ -242,145</b>	<b>\$ -195,875</b>	<b>\$ 507,849</b>	<b>\$ 132,163</b>	<b>\$ 58,203</b>

#### **Projection Scenario B**

- Assumes 73,000 DCPs and a 60.0% renewal rate.
- Assumes a base of 15,000 new licensees plus a 3.0% allowance for growth annually.
- Applies the fee structure outlined in the table on page 2.
- Assumes a staffing structure requiring 16.0 FTE positions by FY 2015.
- Support costs include, but are not limited to, travel, office equipment and supplies, criminal history reviews, IT development and maintenance, the DPH indirect administration charge (15.0% of total personnel costs), office rental, printing and postage, and communications.

Board of Direct Care Professionals - Projection Scenario B					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
<b>Revenue</b>					
Carryforward	\$ 0	\$ 0	\$ 0	\$ 678,725	\$ 289,485
License Fees	0	914,800	2,110,600	1,084,855	1,502,850
Federal Grant	550,000	201,000	0	0	0
IOWAccess Fund	150,000	100,000	0	0	0
<b>Total Revenue</b>	<b>\$ 700,000</b>	<b>\$ 1,215,800</b>	<b>\$ 2,110,600</b>	<b>\$ 1,763,580</b>	<b>\$ 1,792,335</b>
<b>Expenses</b>					
Curriculum & IT Development, Training & Evaluation	\$ 390,000	\$ 180,000	\$ 0	\$ 0	\$ 0
Personnel	205,300	774,200	918,400	954,800	992,500
Support	346,845	486,570	513,475	519,295	527,495
<b>Total Expenses</b>	<b>\$ 942,145</b>	<b>\$ 1,440,770</b>	<b>\$ 1,431,875</b>	<b>\$ 1,474,095</b>	<b>\$ 1,519,995</b>
<b>Net surplus/(need)</b>	<b>\$ -242,145</b>	<b>\$ -224,970</b>	<b>\$ 678,725</b>	<b>\$ 289,485</b>	<b>\$ 272,340</b>

### Summary of Impacts

**FY 2013:** The General Assembly appropriated \$149,000 in FY 2012 to support the work of the Direct Care Worker Advisory Council. Each of the projections show a total General Fund need of \$242,145 in FY 2013, an increase of \$93,145 compared to FY 2012.

**FY 2014:** Projection Scenario A shows a total General Fund need of \$195,875 in FY 2014, an increase of \$46,475 compared to FY 2012, and Projection Scenario B shows a total General Fund need of \$224,970 in FY 2014, an increase of \$75,970 compared to FY 2012.

The table below summarizes the General Fund impact of these two scenarios in FY 2013 and FY 2014.

General Fund Impact Summary (Projections A & B)					
	FY 2013		FY 2014		
	Projection Scenario A	Projection Scenario B	Projection Scenario A	Projection Scenario B	
Status Quo FY 2012	\$ 149,000	\$ 149,000	\$ 149,000	\$ 149,000	
Additional Need	93,145	93,145	46,875	75,970	
<b>Total Need</b>	<b>\$ 242,145</b>	<b>\$ 242,145</b>	<b>\$ 195,875</b>	<b>\$ 224,970</b>	

**Sources**

Department of Public Health  
Direct Care Worker Advisory Council  
LSA Analysis

/s/ Holly M. Lyons

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March 15, 2012

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The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to [Iowa Code section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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